GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

STARRED QUESTION NO:206
ANSWERED ON:09.03.2000
AIR INDIA CARIBJET WET-LEASE DEAL
ASHOK NAMDEORAO MOHOL;PAWAN KUMAR BANSAL

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the CVC and CBI have investigatedinto alleged irregularities committed in the cancellation of an Air India-Caribjet wet-lease deal; and

(b) if so, the details thereof?

Answer

THE MINISTER OF CIVIL AVIATION
(SHRI SHARAD YADAV)
(a) and (b): A Statement is laid on the Table of the House.

STATEMENTTO BE LAID ON THE TABLE OF LOK SABHA IN REPLY TO@@ LOK SABHA STARRED QUESTION NO
DATED 09.03.2000

(a) and (b): Central Bureauof Investigation (CBI) had@@ investigated into the allegations of deliberately overlooking better offer and changing of date in one of the notes to cover up the haste in signing the agreement in relation to 1994 lease agreement on source information. CBI also, again on source information, investigated into theallegations of undue favour shown to M/s Caribjet Incorporated in finalising lease agreement in 1995. After the verification, it was intimated by CBI that there was no ground for registration of a regular case.

2. Recently, in the wake of the arbitration tribunal awarding US $23.6 million (Rs.103 crores approximately) against Air India for having terminated the lease agreement entered into between Air India and M/s Caribjet Incorporated, Ministryof Civil Aviation has asked CBI to investigate into the whole gamut of allegations of irregularities inthe wet lease agreement 1995 including termination and arbitration proceedings in the case of 1995 agreement. Ministry of Civil Aviation has also made a reference to CBI to enquire into some alleged irregularities in the 1994 wet lease deal entered into by Air India with Caribjet Incorporated.